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Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance: strengthening of the coordination of emergency humanitarian assistance of the United Nations

Letter dated 4 August 2015 from the Secretary-General addressed to the President of the General Assembly

I have the honour to refer to General Assembly resolution 60/124, by which the Assembly established the Central Emergency Response Fund Advisory Group to advise me on the use and impact of the Fund. In accordance with the provisions of paragraph 21 of the resolution, I hereby transmit a note on the first meeting of 2015 of the Advisory Group, which was held in Geneva on 28 and 29 May (see annex).

As summarized in the note, the Advisory Group reiterated that the Fund was a successful and valuable mechanism and expressed its appreciation to the Deputy Emergency Relief Coordinator and the Fund secretariat for their management of the Fund.

The members received a briefing on the use and management of the Fund until mid-May 2015, in particular the critical role of the Fund in supporting regional emergency response efforts in the Central African Republic, Nepal, Nigeria, South Sudan and the Syrian Arab Republic. The Advisory Group welcomed the opportunity to interact with the Resident/Humanitarian Coordinator for Colombia, the Resident/Humanitarian Coordinator for Eritrea and the Resident Coordinator for Sierra Leone and their demonstration of the strategic use of the Fund.

The Advisory Group received a briefing on two scoping studies on the future of the Fund and acknowledged their importance for the continuing consultation process in that regard. It noted that there was a need to further elaborate on the added value of a potential expansion of the Fund and to carefully consider the current reliance of the Fund on a few of its top donors for most of its funding. The members emphasized the opportunity that the 10-year anniversary of the Fund, in December 2015, presented for reinforcing resource mobilization efforts and enhancing the Fund's visibility to a wider group of partners.

The Advisory Group heard a briefing on the World Humanitarian Summit process and the work of the High-level Panel on Humanitarian Financing. The members highlighted the importance of strategically positioning the Fund in the

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broader context of the 2015 global agenda and the humanitarian financing discussions in the lead-up to the Summit in 2016. They requested the Fund to engage with those processes to ensure that its key strengths and advantages were promoted coherently.

The Advisory Group received a briefing on the outcomes of the evaluation of the use of pooled funds by the World Food Programme and met some representatives of the Inter-Agency Standing Committee. In its interaction with the members of the Committee, the Group focused primarily on the timeliness of partnership arrangements between recipient agencies and their implementing partners, challenges with the visibility of funds and processes for communicating a potential fraudulent use of funds to donors.

The Advisory Group discussed the lessons learned from the use of Fund allocations in large-scale emergencies and the mechanisms and processes in place to deal with potential fraudulent use. The members also considered policy issues, including an update on the quality of resident/humanitarian coordinator reports on the use and impact of funds and an analysis of performance information from such reports from 2013, the Fund's risk management plan, recent efforts to enhance the visibility of the Fund, issues that were important in conveying the story of the Fund to a wide group of stakeholders and the independent review of the added value of the Fund in Myanmar.

The Advisory Group selected Manuel Bessler (Switzerland) as its new Chair and Ahmed al-Meraikhi (Qatar) as its new Vice-Chair. It expressed its appreciation to the outgoing Chair, Catherine Walker (Australia), and the outgoing Vice-Chair, Mathewos Tulu (Ethiopia), for their work and leadership. It also expressed thanks to the other outgoing members whose mandates would end in 2015 — Nancy Butijer (Croatia), Susan Eckey (Norway), Susanna Moorehead (United Kingdom of Great Britain and Northern Ireland), Yukie Osa (Japan) and Wenliang Yao (China) — for their contribution to the work of the Group.

(*Signed*) **BAN** Ki-moon

Annex

Note on the meeting of the Central Emergency Response Fund Advisory Group (28 and 29 May 2015)

Summary

1. The Central Emergency Response Fund Advisory Group was established by the General Assembly in its resolution 60/124 to advise the Secretary-General, through the Under-Secretary-General for Humanitarian Affairs and Emergency Relief Coordinator, on the use and impact of the Fund. The Group's first meeting of 2015 was held in Geneva on 28 and 29 May and was chaired by Catherine Walker (Australia).

2. The Assistant Secretary-General and Deputy Emergency Relief Coordinator provided a briefing on the use and management of the Fund until mid-May 2015. The meeting afforded an opportunity for the members of the Advisory Group to interact directly with the Resident/Humanitarian Coordinator for Colombia, the Resident/Humanitarian Coordinator for Eritrea and the Resident Coordinator for Sierra Leone. The Group received a briefing from the authors of two scoping studies on the future of the Fund (on the added value of a reformed fund and on a review of the potential for assessed funding). It also heard a briefing on the World Humanitarian Summit process and the work of the High-level Panel on Humanitarian Financing.

3. The members discussed the lessons learned from the use of Fund allocations in large-scale emergencies and the mechanisms and processes in place to deal with potential fraudulent use and for communicating potential fraud cases to donors. The Advisory Group also received and considered updates on key policy issues, including an update on the quality of resident/humanitarian coordinator reports on the use and impact of funds and an analysis of performance information from such reports from 2013, the Fund's risk management plan, recent efforts to enhance the visibility of the Fund, issues that were important in conveying the story of the Fund to a wide group of stakeholders and the independent review of the added value of the Fund in Myanmar.

4. The Advisory Group heard a briefing on the outcomes of the evaluation of the use of pooled funds by the World Food Programme (WFP) and met representatives of the Inter-Agency Standing Committee. In its interaction with the members of the Committee, the Group focused primarily on the timeliness of partnership arrangements between recipient agencies and their implementing partners, challenges with the visibility of funds and processes for communicating potential fraudulent use of funds to donors. Further to those discussions, the Group would like to make the observations and recommendations set out below.

Observations, conclusions and recommendations

5. The Deputy Emergency Relief Coordinator informed the Advisory Group that the Fund had committed $171 million to 29 countries and territories from January to mid-May 2015. She provided an update on the continuous efforts by the Fund secretariat to ensure the strategic use of funds, in particular through strengthened guidance on prioritization of needs for allocations and the revamped training framework targeting decision makers in the field. She highlighted the Fund's

regional approach in responding to humanitarian needs in countries affected by regional crises and noted that the Fund was increasingly required to respond with rapid response grants to the new elements of protracted humanitarian situations that many recipient countries were facing. She provided an update on the first round of allocations from the underfunded emergencies window for 2015, noting that priority had been accorded to responses with regard to the crisis in the Syrian Arab Republic, the Great Lakes region, Colombia, Djibouti and the Democratic People's Republic of Korea. She emphasized that the financial requirements for protracted situations were vastly greater than those for new emergencies, giving the Fund limited flexibility to respond in the light of its mandated split between its rapid response window (two thirds) and its underfunded emergencies window (one third).

6. She also provided an update on the roll-out of Umoja and an overview of contributions received by the Fund for 2015. She noted that, while the Fund remained in a good financial position to respond to the new and current emergencies and enjoyed strong support from donors, as demonstrated by the fact that the high-level conference held in December 2014 had seen the second-highest amount ever pledged ($418.6 million), currency fluctuations and the strong United States dollar would have an impact on the projected income for 2015. The Advisory Group acknowledged that the contributions from donors for 2014 had been the highest ever received, while emphasizing that the reliance on a few top donors for most of the funding was unsustainable in the long term and additional efforts were required to broaden and deepen the donor base. The Group expressed its appreciation to the Deputy Emergency Relief Coordinator and the Fund secretariat for their management of the Fund.

7. The Advisory Group welcomed the opportunity to interact with the Resident/Humanitarian Coordinator for Colombia, the Resident/Humanitarian Coordinator for Eritrea and the Resident Coordinator for Sierra Leone and their demonstration of the strategic use of the Fund. The Group was encouraged to hear of the Fund's life-saving impact, that the use of funds in Colombia had been well coordinated with the Government and the country-based emergency response fund and that the Fund had assisted the Resident/Humanitarian Coordinator with advocacy and broader resource mobilization. It also welcomed the fact that funds in Eritrea had been leveraged as an enabler of humanitarian space and had helped to strengthen the position of the Humanitarian Coordinator. The Group noted, however, that overreliance on the Fund owing to the lack of alternative funding in both settings was unsustainable. It noted with appreciation that the allocations provided in 2014 to Sierra Leone and other West African countries, albeit limited in size, had been instrumental and catalytic in promoting a regional response to the Ebola outbreak owing to their speed, timeliness and regional approach.

8. The Advisory Group welcomed the update by the Deputy Emergency Relief Coordinator on the World Humanitarian Summit and the High-level Panel on Humanitarian Financing, highlighting the importance of strategically positioning the Fund in the broader context of the 2015 global agenda and the humanitarian financing discussions in the lead-up to the Summit in 2016. The members requested the Fund to engage with those processes to ensure that its key strengths and advantages were promoted coherently. The Group also considered the opportunity that the 10-year anniversary of the Fund, in December 2015, presented for redoubling resource mobilization efforts and enhancing the Fund's visibility, noting that, after a decade of operations, the Fund was very well regarded as a valuable

mechanism and its success should be taken into consideration as the discussions on development and humanitarian financing at the broader level progressed.

9. The Advisory Group heard a briefing by the Deputy Emergency Relief Coordinator and the authors of two recently concluded studies into the feasibility of adjusting the Fund's annual funding target that had explored United Nations assessed contributions as a potential funding modality, among other potential adjustments. It had been emphasized in the studies that the Fund had been commended for being focused on life-saving action and fast, simple and well managed. In the future the Fund should retain those characteristics, but could be given greater flexibility in allocating funds when it came to the split between the rapid response and underfunded emergencies windows. It had been noted that, should the Fund be expanded, which was unlikely to happen through United Nations assessed contributions, any new target should be realistic and achievable and not come at the expense of existing humanitarian resources.

10. The Advisory Group welcomed the studies and acknowledged their importance for the continuing consultation process on the future of the Fund. It reiterated that the Fund was a successful and valuable mechanism that filled a critical niche in responding to rapid-onset and underfunded emergencies. Regarding the potential expansion of the Fund, the Group emphasized that there was a need to further elaborate on the added value of an expanded fund and to take into consideration the current reliance of the Fund on a few of its top donors for most of its funding. The Group recommended that the Fund secretariat should further explore the barriers restricting some donors from increasing their support to the Fund, that resource mobilization efforts targeting donors currently not among the top 10 supporters should be strengthened and that other potential sources of funding should be explored.

11. Considering the potential fraudulent use of funds and challenges in communicating fraud cases, the Advisory Group reiterated that fraud posed a serious risk to humanitarian action and to the reputation of the Fund and the United Nations. The Group welcomed the guidance developed by the Fund secretariat for communicating potential cases of fraud affecting projects financed by the Fund and implemented by recipient agencies and their implementing partners. The Group noted that the guidance, which was a decisive step in the right direction, should be considered in the context of broader system-wide processes associated with risk and fraud management in order to ensure the coherent treatment of fraud within the United Nations. The Group also requested to be kept informed about the issue and to be notified at its regular meetings of potential fraud cases communicated to the Fund and their status.

12. The Advisory Group welcomed the analysis prepared by the Fund secretariat on the lessons learned from the use of the Fund in large-scale humanitarian crises that had been subject to humanitarian system-wide emergency activation (level 3 emergency activation), with particular focus on the implementation of one of the automatically triggered protocols that envisaged an automatic allocation from the Fund once an emergency had been declared a level 3 emergency. The Group endorsed the practice established by the Emergency Relief Coordinator that, in each level 3 emergency, allocations from the Fund would be considered on a case-by-case basis because the impact of the funding would depend on a range of factors, including the timing, strategy and focus of the request and complementarity with

other resources. Given that each emergency was different, a one-size-fits-all approach was not appropriate.

13. The Advisory Group was encouraged by the update on the quality of the resident/humanitarian coordinator reports and welcomed the analysis of key performance data from the 2013 reports on the use of funds, which was the most comprehensive analysis through a full annual funding cycle and helped to document the Fund's results, its added value and its impact for external audiences.

14. The Advisory Group acknowledged the recent improvements in Fund communication and advocacy efforts and welcomed new initiatives to convey the story of the Fund in a timely, simple and compelling fashion. It highlighted the need to continue to communicate the success of the Fund to a wide group of stakeholders, emphasizing that there was a need for high-level advocacy to position the Fund as a partner of choice for resource mobilization. The Group also received an update on the semi-annual Fund risk management plan and again acknowledged its importance for risk mitigation and advocacy purposes. The Group also acknowledged the independent review of the added value of the Fund in Myanmar, which offered valuable insights into operations financed by the Fund in that country.

15. The Advisory Group took note of the presentation by WFP on its evaluation of the use of pooled funds and, in particular, its recommendations pertaining to the use of the Fund. WFP was encouraged to take further steps to enhance the visibility and transparency of the use of funding from the Fund and to further demonstrate how it was addressing the issue of timeliness of implementation through partners. The Group encouraged WFP to act on the recommendations in a timely manner and the Fund secretariat to engage with WFP on follow-up.

16. The Advisory Group welcomed the opportunity to meet and exchange views with the recipient agencies of funds and other representatives of the Inter-Agency Standing Committee. While acknowledging the progress made since the timeliness of the disbursement and implementation of subgrants under the projects financed by the Fund had been on its agenda, the Group reiterated that the rapid disbursement of funds from agencies to their implementing partners remained central to the Fund's life-saving mandate and key to maintaining the Fund's reputation as an effective humanitarian financing mechanism. The Group welcomed measures and best practice to improve the timeliness of arrangements between recipient agencies and their implementing partners already put in place, such as the revision of partnership agreements by the United Nations Children's Fund and encouraged other agencies to demonstrate action taken. Further to the discussion on the challenges of ensuring the visibility of the Fund at the field level with implementing partners, the Group encouraged the Fund secretariat and recipient agencies to work together towards ensuring awareness and visibility of the Fund in the field among implementing partners.

Administrative matters

17. Manuel Bessler (Switzerland) was selected as the new Chair and Ahmed al-Meraikhi (Qatar) as the new Vice-Chair of the Advisory Group.

18. The Advisory Group expressed its appreciation to the outgoing Chair, Catherine Walker (Australia), and the outgoing Vice-Chair, Mathewos Tulu (Ethiopia), for their work and leadership. It also expressed thanks to the other

members whose mandates would end in 2015 — Nancy Butijer (Croatia), Susan Eckey (Norway), Susanna Moorehead (United Kingdom of Great Britain and Northern Ireland), Yukie Osa (Japan) and Wenliang Yao (China) — for their contribution to its work.

19. The next meeting of the Advisory Group is to be held in New York in October 2015.